

## Sanitation Districts Enterprise Funds - Consolidated

### DESCRIPTION OF MAJOR SERVICES

Special Districts Department provides for the management, funding, and maintenance of sanitation collection systems and wastewater treatment facilities throughout the County Service Areas (CSA) and Improvement Zones. Sources include property taxes, service charges and user fees.

#### Budget at a Glance

Requirements Less Reimbursements*	\$9,321,748
Sources/Reimbursements	\$6,855,047
Net Budget**	(\$2,466,701)
Estimated Unrestricted Net Assets	\$2,466,701
Use of Unrestricted Net Assets	\$1,468,532
Total Staff	0

\*Includes Contingencies

**CSA 42 Oro Grande** was established by an act of the County of San Bernardino Board of Supervisors on December 27, 1965 to provide sewer services to the community of Oro Grande. This sanitation CSA is located five miles northwest of Victorville, provides sewer services to 238 Equivalent Dwelling Units (EDU).

**CSA 53B Fawnskin** is located on the north shore of Big Bear Lake. The sanitation CSA was established by an act of the County of San Bernardino Board of Supervisors on January 2, 1968. The sewage collection system, which includes an innovative vacuum system, services 1,257 EDUs. Sewage treatment is provided by contract with Big Bear Area Regional Water Agency (BBARWA).

**CSA 64 Spring Valley Lake** was established by an act of the County of San Bernardino Board of Supervisors on December 30, 1968. This sanitation CSA is located southeast of the City of Victorville, Victor Valley Wastewater Reclamation Authority (VWVRA) provides sewer services to 4,326 EDUs and maintains three lift stations.

**CSA 70 BL Bloomington** was established on November 19, 2013, by an act of The San Bernardino County Board of Supervisors in the Bloomington area for the purpose of providing sewer service. The costs to construct the sewer line that will serve the Applicant's property will be paid by the Applicant and the sewer line will be deeded to the CSA 70 BL Bloomington upon completion. The sewer fees will be adopted in the 2015-16 Resolution Establishing Various Fees for water and sewer services.

**CSA 70 GH Glen Helen** was established by an act of the County of San Bernardino Board of Supervisors on August 17, 2004, to provide park and recreation, sanitation, and streetlight services to the Glen Helen area. The sanitation Improvement Zone provides sanitation services to the San Bernardino Sheriff's Department Detention facility as well as a Master Planned community currently in development. The sanitation Improvement Zone currently provides sewer service to 728 residential EDUs.

**CSA 70 S-3 Lytle Creek** was established by an act of the County of San Bernardino Board of Supervisors on December 2, 1974, to provide sanitation services to residents in the Lytle Creek Community and the U.S. Forest Service. The sanitation Improvement Zone currently provides sewer service to 798 EDUs.

**CSA 70 S-7 Lenwood** was established by an act of the County of San Bernardino Board of Supervisors on December 19, 1977, to provide sewer services to the community of Lenwood. The sanitation Improvement Zone completed construction of a new sewer system to replace individual septic systems within Lenwood but is limited to specific property owners who approved assessments to pay the debt service. The City of Barstow performs routine maintenance of the system. This sanitation Improvement Zone is responsible for non-routine repairs.

**CSA 70 SP-2 High Country** was established by an act of the County of San Bernardino Board of Supervisors on May 20, 1985, and is located 1.5 miles west of Hesperia. The sanitation Improvement Zone owns and operates a sewer collection system that provides service to 231 EDUs in the High Country Development tract of homes. Through an out-of-area service agreement with the City of Hesperia, the Improvement Zone also provides service to 517 EDUs within city boundaries.

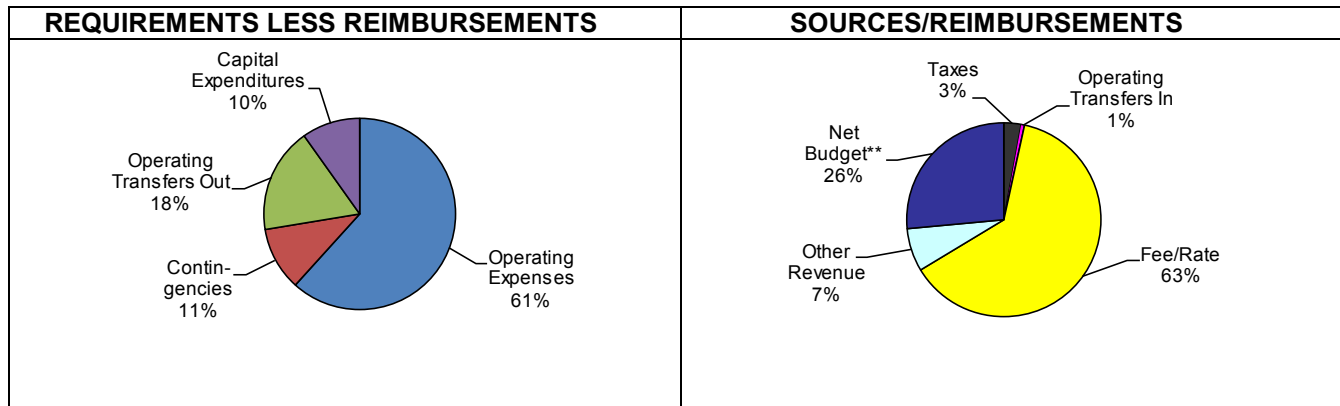
\*\* Net Budget reflects Total Sources less Total Requirements for Internal Service and Enterprise funds. When Net Budget is negative, it means that the department will be using assets that have been carried over from the prior year.



**CSA 79 Green Valley Lake** was established by an act of the County of San Bernardino Board of Supervisors on September 7, 1971, to maintain a sewer collection system and interceptor, with sewage treatment provided through a contract with Running Springs Water District (RSWD). The sanitation CSA provides sewer service to 1,227 EDUs.

**CSA 82 Searles Valley** was established by an act of the County of San Bernardino Board of Supervisors on June 28, 1976. On June 6, 2000, the sanitation CSA combined and included Improvement Zones SV-3 (Trona) and SV-4 (Pioneer Point) through the Board of Supervisors Resolution No. 2000-132. The newly combined sanitation CSA 82 provides sewage collection service to 759 EDUs as well as streetlight services.

## 2014-15 RECOMMENDED BUDGET



## ANALYSIS OF 2014-15 RECOMMENDED BUDGET

GROUP: Special Districts  
DEPARTMENT: Special Districts  
FUND: Sanitation Districts - Consolidated

BUDGET UNIT: Various  
FUNCTION: Operations  
ACTIVITY: Sanitation

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Estimate	2013-14 Modified Budget	2014-15 Recommended Budget	Change From 2013-14 Modified Budget
<b>Requirements</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	12,314,121	4,995,122	5,050,388	4,988,045	5,417,131	5,750,446	333,315
Capital Expenditures	11,950	6,284	7,813	1,605,721	2,291,650	915,860	(1,375,790)
Contingencies	0	0	0	0	1,363,636	998,169	(365,467)
Total Exp Authority	12,326,071	5,001,406	5,058,201	6,593,766	9,072,417	7,664,475	(1,407,942)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	12,326,071	5,001,406	5,058,201	6,593,766	9,072,417	7,664,475	(1,407,942)
Operating Transfers Out	405,669	1,098,453	2,276,704	2,166,293	2,429,400	1,657,273	(772,127)
Total Requirements	12,731,740	6,099,859	7,334,905	8,760,059	11,501,817	9,321,748	(2,180,069)
<b>Sources</b>							
Taxes	1,118,806	199,962	233,224	267,325	204,751	267,223	62,472
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	14,057	51,112	615	604	2,060,633	604	(2,060,029)
Fee/Rate	5,103,761	5,410,429	4,779,164	7,563,470	5,793,462	5,864,672	71,210
Other Revenue	5,079,861	397,602	769,278	699,682	633,092	669,745	36,653
Total Revenue	11,316,485	6,059,105	5,782,281	8,531,081	8,691,938	6,802,244	(1,889,694)
Operating Transfers In	4,954	98,769	0	69,654	183,854	52,803	(131,051)
Total Sources	11,321,439	6,157,874	5,782,281	8,600,735	8,875,792	6,855,047	(2,020,745)
Net Budget*	(1,410,301)	58,015	(1,552,624)	(159,324)	(2,626,025)	(2,466,701)	159,324
				Budgeted Staffing	0	0	0

\*\*Net Budget reflects Total Sources less Total Requirements for Internal Service and Enterprise funds. When Net Budget is negative, it means that the department will be using assets that have been carried over from the prior year.



**DETAIL OF 2014-15 RECOMMENDED BUDGET**

	2014-15			
	Requirements	Sources	Net Budget	Staffing
<b><u>Enterprise Funds</u></b>				
CSA 42 Oro Grande (Fund EAP)	261,234	201,960	(59,274)	0
CSA 53 B Fawnskin (Fund EBA)	1,111,892	923,810	(188,082)	0
CSA 64 Spring Valley Lake (Fund EBM)	2,921,848	2,370,001	(551,847)	0
CSA 70 BL Bloomington (Fund EAR)	562,810	0	(562,810)	0
CSA 70 GH Glen Helen (Fund ELH)	1,393,916	1,057,127	(336,789)	0
CSA 70 S-3 Lytle Creek (Fund ECP)	734,423	620,829	(113,594)	0
CSA 70 S-7 Lenwood (Fund ECR)	104,371	9,100	(95,271)	0
CSA 70 SP-2 High Country (Fund EFA)	304,443	270,330	(34,113)	0
CSA 79 Green Valley Lake (Fund EFP)	1,436,676	994,123	(442,553)	0
CSA 82 Searles Valley (Fund EFY)	490,135	407,767	(82,368)	0
Total Enterprise Funds	9,321,748	6,855,047	(2,466,701)	0

**CSA 42 Oro Grande** – Requirements of \$261,234 include operations and maintenance costs, charges from Victor Valley Wastewater Reclamation Authority for waste processing, transfers for allocated indirect operational cost reimbursements, operating transfers out to a replacement reserve fund for future capital improvement projects, and contingencies. Sources of \$201,960 are primarily from user fees and service charges.

**CSA 53B Fawnskin** – Requirements of \$1.1 million include operations and maintenance costs, charges from BBARWA for waste processing, transfers for allocated indirect operational cost reimbursements, operating transfers out to a replacement reserve fund for future capital improvement projects, and contingencies. Sources of \$923,810 are primarily from user fees and service charges.

**CSA 64 Spring Valley Lake** – Requirements of \$2.9 million include operations and maintenance costs, charges from VVWRA for waste processing, transfers for allocated indirect operational cost reimbursements, operating transfers out to a replacement reserve fund for future capital improvement projects, and contingencies. Sources of \$2.4 million are primarily from taxes, user fees, and service charges.

**CSA 70 BL Bloomington** – Requirements of \$562,810 include costs associated with the design and installation of a sewer system for the applicant. No sources are expected until the system is functional and operating. User fees will be included in the fiscal year 2015-16 Special Districts fee package.

**CSA 70 GH Glen Helen** – Requirements of \$1.4 million include operations and maintenance costs, transfers for allocated indirect operational cost reimbursements, operating transfers out to replacement reserves to fund capital improvement projects, and contingencies. Sources of \$1.1 million are primarily from user fees, service charges, and developer contributions.

**CSA 70 S-3 Lytle Creek** – Requirements of \$734,423 include operating and maintenance costs, transfers for allocated indirect operational cost reimbursements, operating transfers out to replacement reserves for future capital improvement projects, and contingencies. Sources of \$620,829 are primarily from user fees and service charges.

**CSA 70 S-7 Lenwood** – Requirements of \$104,371 include operating and maintenance costs, transfers for allocated indirect operational cost reimbursements, and contingencies. Sources of \$9,100 are primarily from revenues from an out-of-area service agreement with the City of Barstow.



**CSA 70 SP-2 High Country** – Requirements of \$304,443 include operating and maintenance costs, professional services including an agreement with the City of Hesperia for waste processing, transfers for allocated indirect operational cost reimbursements, operating transfers out to replacement reserves to fund future projects, and contingencies. Sources of \$270,330 are primarily from user fees and service charges.

**CSA 79 Green Valley Lake** – Requirements of \$1.4 million include operating and maintenance costs, professional services including charges from RSWD for waste processing, transfers for allocated indirect operational cost reimbursements, operating transfers out to replacement reserves to fund future projects, and contingencies. Sources of \$994,123 are primarily from user fees and service charges.

**CSA 82 Searles Valley** – Requirements of \$490,135 include operating and maintenance costs, transfers for allocated indirect operational cost reimbursements, operating transfers out to fund maintenance in the CSA 82 park/rest stop and to the replacement reserves to fund future improvement projects, and contingencies. Sources of \$407,767 are primarily from taxes, user fees, and service charges.

### **BUDGET CHANGES AND OPERATIONAL IMPACT**

Requirements are decreasing by \$2.2 million. Major changes in requirements include an increase in operating expenses of \$333,315 primarily as a result of increased allocation of both direct and indirect costs for CSA 70 Countywide support and a decrease in capital expenditures of \$1.4 million due to the near completion of CSA 70 BL Bloomington sewer system. Contingencies are decreasing by \$365,467 due to planned use of fund balance for the purchase of various equipment, including: three generators for CSA 70 S-3 Lytle Creek, CSA 79 Green Valley Lake, CSA 53 B Fawnskin; the purchase of a VFD Pump for CSA 70 Glen Helen; and mainline replacements in CSA 82 Searles Valley. Operating transfers out is decreasing by \$772,127 as a result of replacement reserves now being used to fund projects instead of using operating funds.

Sources are decreasing by \$2.0 million. Major changes in sources consist of a decrease in state, federal, and other government aid of \$2.0 million due to a decrease in Community Development and Housing grant funding for 2014-15. In 2013-14, grant funding was received for the construction of sewer lines in CSA 70 Zone BL Bloomington.

### **STAFFING CHANGES AND OPERATIONAL IMPACT**

There is no staffing associated with Sanitation Districts.

